



# Guidelines for operators of betting and online casinos

Description of licence requirements for betting and online casino providers

## Version

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February 2017	2.0	General update of guidelines
January 2018	3.0	Updated application fee and annual fee
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### PLEASE NOTE.

This is a translated document. The Danish version of the document is the only applicable and authentic version.

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## 1 Foreword

The Danish Gambling Authority is part of the Ministry of Taxation.

The Danish Gambling Authority is responsible for ensuring that the Gambling market in Denmark is well-run and properly regulated.

These guidelines are intended for individuals and companies who wish to provide betting and online casinos in Denmark in compliance with Gambling legislation (Act on Gambling, executive order nr. 1494 of 6 December 2016 about gambling, and executive order nr. 336 of 16 April 2016 for Greenland on certain types of gambling) and associated ministerial orders.

The guidelines give an overview of what licensees need to consider when applying for a licence to provide betting and/or online casinos.

The Danish Gambling Authority has the responsibility for issuing licences for the provision of gambling in Denmark.

There are three basic conditions that the gambling activity needs to meet before a licence is required from the Danish Gambling Authority:

- Participants pay a stake to take part in the game (money or any items of value)
- Participants must have a chance of receiving winnings, and
- There must be a random element involved.
- 

All three conditions need to be met before a license is required. If, for example, there is no need for a stake to take part in the game, then a licence from the Danish Gambling Authority is not necessary.

The full application fee must always be paid before the Danish Gambling Authority can begin the application process.

## 2 Practical Information

These guidelines describe the most important rules for individuals and companies that wish to provide betting and online casino.

The legislation is described in Gambling legislation (Act on Gambling, executive order nr. 1494 of 6 December 2016 about gambling, and executive order nr. 336 of 16 April 2016 for Greenland on certain types of gambling) and the following executive orders:

- Executive order on online casinos
- Executive order on online betting
- Executive order on land-based betting

In addition, the Danish Gambling Authority can attach conditions to a licence such as the regulation of games offered.

The Danish Gambling Authority is responsible for issuing licences, charging fees and supervising the industry.

The Danish Tax Agency is responsible for the registration of licensees, invoicing, control and collection of fees.

Gambling for money is exempt from sales tax (MOMS). Gambling providers offering gambling activities have to pay payroll tax in accordance with the Danish Act on Payroll Tax § 1(1) (lønsumsafgiftslovens § 1, stk. 1). Contact Danish Tax Agency for any further questions regarding sales tax (MOMS) and payroll tax. See [www.skat.dk](http://www.skat.dk) for more information.

You can find further information at [www.spillemyndigheden.dk](http://www.spillemyndigheden.dk). Here you can also find forms and other documents for use in applications. Please feel free to contact the Danish Gambling Authority via our online contact form at [www.spillemyndigheden.dk/en/kontakt](http://www.spillemyndigheden.dk/en/kontakt). You can select a subject and the message is digitally encrypted. You can also contact us by phone on 72 38 79 13.

### 3 What do the guidelines include?

The guidelines include the most important conditions for the provision of gambling.

Some games do not require a licence, while for other games it is impossible to have a licence; for example gambling activities that fall under the responsibility of the state monopoly in Denmark.

As mentioned in the foreword, there are three conditions that all need to be met before a licence is required:

- There must be a stake involved
- There must be a chance of winnings, and
- There must be a random element involved.

The following section gives an overview of the rules.

#### **What is a stake?**

A stake is typically an amount of money paid by a player to take part in a game. Subscriptions and similar can also constitute a stake if there is an extra payment for taking part.

#### **What are winnings?**

Winnings can be cash, goods, or services that have a financial value. There does need to be a connection between the size of the stake and the winnings. In this respect, a sponsored prize also counts as winnings.

#### **What is an element of chance?**

There has to be an element of chance involved in finding the winner. An element of chance could, for example be, if the game involves a roll of the dice or use of playing cards. If the winner is found by means of pure skill, then the activity does not fall under the Act on Gambling, and a licence is not required.

### 3.1 Games for which a licence may be issued

#### **Betting**

Betting is an activity where the participant has a chance of receiving winnings, with bets placed on the result or outcome of a future event. This could, for example, include bets on the name of a new Royal Family member.

Provision of betting only requires a licence if the participants:

- Pay a stake (money or similar), and
- Have the chance of receiving winnings as a result of the stake (all types of winnings).

Betting can be divided into two categories:

- Fixed odds betting – where the player bets directly against the gambling provider and knows the potential winnings beforehand. This definition also includes betting exchanges, where players compete against each other.
- Pool betting – where all or part of the winnings are decided by the accumulated pool of stakes or is shared between the winners.

A licence for betting includes both online and land-based sales of betting. Online betting is defined as when the player and the provider are not physically in the same location, for example internet, telephone and TV sales.

It is not allowed to provide betting on events limited to children under the age of 18.

Land-based provision of betting also includes betting on the results of virtual sports events.

#### **Online casinos**

Online casinos require a licence from the Danish Gambling Authority.

A licence for online casinos in Denmark includes the following games:

- Roulette, blackjack, baccarat, punto banco, poker, onlinebingo and gaming machines games
- Combination games - all other games with a combination of skill and chance; see definition below.

### Combination games

A combination game is defined as a game where the participant has a chance of receiving winnings, and where this chance depends on a combination of skill and chance. Combination games are decided by a combination of chance elements, such as using playing cards, rolls of the dice, draws, and the players' skill/intelligence. The share of chance or skill involved does not define whether the game is a combination game or not.

If an element of chance is added to a game which is purely based on skill – for example a draw between the best players, then the game will be classified as a combination game because the opportunity for winnings now depends a combination of skill and chance. However, the combination of skill and chance must be a demonstrably natural part of the game.

Examples of combination games include:

- Whist
- Hearts
- Yahtzee
- Ludo
- Rubber-bridge
- Backgammon

## 3.2 Games for which a licence may not be issued

It is not possible to apply for a licence for lotteries or class lotteries.

A lottery is a game where the winner is chosen completely at random.

Lotteries include games such as:

- scratchcards
- prize-winning draws

These games can only be offered by companies with a special licence. Licenses have been issued, for example, to Danske Lotteri Spil A/S and Det Danske Klasselotteri A/S.

Danske Lotteri Spil A/S has a monopoly on providing lotteries such as lotto and scratchcards.

Danske Lotteri Spil A/S is a state-owned public limited company with the licence to provide gambling in Denmark and Greenland. The licence has been issued by the Danish Gambling Authority, and the Danish Gambling Authority supervises its activities.

It is, however, possible to apply for a licence for land-based provision of charitable lotteries, i.e. lotteries for the benefit of a charity or other non-profit organisations. Read more about this at [www.spillemyndigheden.dk/en](http://www.spillemyndigheden.dk/en) → Gambling category → Lottery.

### 3.3 Games that may be provided without a licence

Examples of games that can be provided without a licence:

- Games without stake, but with the opportunity of winnings
- Games with a stake, but without the opportunity of winnings
- Games with a stake and winnings, where there is no element of chance such as; chess, quizzes, bridge with duplicate cards, sports events, certain types of computer games, etc.

Even though there is a stake, winnings and an element of chance, some games can still be provided without a licence from the Danish Gambling Authority. A license is not required for:

- Land-based tournament backgammon
- Bank premium bond accounts
- Premium bonds
- Betting on future value of financial assets
- Gambling for small amounts of money in private homes.

The reason that there is no requirement for a licence for these types of gambling activity is that they are specifically exempted in the Danish Act on Gambling.

If betting on the future value of financial assets does not fall under current financial regulations, you should be aware that it may instead fall under gambling legislation and, as a result, require a licence..

## 4 Who can apply?

The Act on Gambling lists the requirements that a person or company needs to meet in order to obtain a licence for the provision of gambling.

### **Obligations, responsibilities and rights.**

In principle, all individuals and companies that provide gambling and/or online casinos must have a licence. If a licensee has decided to offer a number of games under a single brand through different individual companies, then all of these companies will need their own licence.

Licensees are responsible for ensuring that gambling activities are in full compliance with Danish legislation. The licensee's rights and obligations include the following:

1. Responsibility, risk and managerial authority for the operation of games.
2. Registration of players.
3. Ownership of gambling data, including registration of players.
4. Player support.

5. Ownership of intellectual property rights relating to games.
6. Ownership of website/game client.
7. Compliance with technical requirements for the control system and gambling infrastructure in place.
8. Majority ownership or leasing agreement of the gambling infrastructure in place.
9. Attention from the management's and employees' side to any suspicious activity from players that may be associated with money laundering or financing of terrorism.
10. A payment transfer system and support of various payment methods.
11. Attention to good marketing practices.

## 4.1 Subcontractors

A licensee is allowed to use subcontractors for part of the tasks mentioned above. The actual number of tasks allowed will depend on an individual assessment. However, in principle, the majority of the services must be provided by the licensee.

There is a distinction between internal and external suppliers. An internal supplier is another company providing services that is part of the same business group. An external company is a separate subcontractor supplying services and is not part of the same business group.

The use of subcontractors is not in breach of the prohibition against the delegation of rights as mentioned in section 10.2. The licensee, however, must be aware that the use of subcontractors does not entitle the licensee to disclaim liability in relation to the obligations of a licensee. As a result of this, it is the licensee's responsibility to ensure that any subcontractors live up to licence requirements at all times.

A subcontractor may not be a white label buyer from a gambling operator it provides services to. For further information on white label, see section 5.2.

### **Network platforms**

Network platforms are defined as platforms used exclusively for games where players play against each other (peer-to-peer games). Customers are redirected via the licensee to a network platform where the player can take part in games against or with players from other gambling operators and other countries.

Network platforms do not need, in principle, a licence to provide gambling in Denmark if the provider using the platform is a Danish licensee. It is not a requirement that all gambling providers connected to the network are licensees in Denmark. Players from Denmark must, however, always access the network via Danish licensees.

Network platforms will be considered as subcontractors to the extent that the network platform does not have or carry out the majority of the tasks listed in the section; Obligations, responsibilities and rights. The nature of the interaction with the licensee may lead to the overlapping of tasks.

The network platform must have a licence if, in addition to operating the platform, it is a white labeller or acts as a gambling provider offering games directly to players.

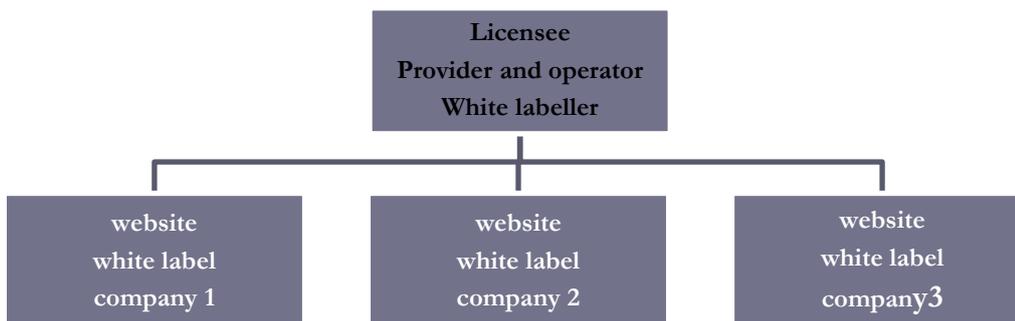
As the network platform is not required to have a licence, it means that the licensee redirecting players to the platform is directly responsible for the game provided via the platform.

## 4.2 White label

White label is defined as a game produced by a company (white labeller), which is marketed by one or more companies to make it appear that the white labeller is providing the product. As a result, the game can be sold several times as if it were a unique branded product. A licence can be issued for white labellers without being in breach of the licence delegation rules mentioned in section 11.2.

### White labeller

In relation to the provision of gambling, the white labeller, also the product owner, must observe the obligations and rights mentioned in section 4. This means that white labellers need to have a licence issued by the Danish Gambling Authority.



White labellers can make use of a subcontractor, as mentioned above. A subcontractor may not be a white label buyer from the white labeller or its affiliates.

NO matter the construction, the licensee is responsible for ensuring that games are provided in compliance with current legislation and the terms set down in the licence.

### White label buyer

White label buyers are only allowed to market the website and associated games (companies 1, 2 and 3 in the diagram). Companies or individuals that have bought the white label solution must not have access to player accounts or operational activities in general.

The white label buyer:

- Must not have any relations to registered players, other than is necessary for marketing purposes. If the white label buyer has relations to registered players due to the operations of a separate business area (other than online gambling), this will not constitute circumvention of the regulations.

- Must only have access to information in the customer database that is necessary for marketing purposes.
- Must not have ownership of the registered player database or gambling infrastructure. The white label buyer may, by way of a contract, take over the database when the partnership with the white labeller has been terminated.

If the white labeller acquires any influence on operations or player accounts, the construction will no longer be regarded as white label and an independent license will be required.

If the white label buyer owns the brand used to market the website, this will not be in breach of the regulations.

The licensee is responsible for ensuring that games are carried out in accordance with the current legislation and the terms of the licence. For this reason, a situation in which a white label buyer is responsible for the operation of games cannot normally arise. The licensee cannot disclaim liability. However, the white label buyer may be held responsible in cases, for example, where one or more companies (companies 1, 2 and 3) have had an influence on the operation of the games or if they are aware of or ought to be aware of any contraventions of legislation or licensing terms.

A white label buyer (company 1, 2 and 3) may also be held responsible in cases where it acts contrary to general marketing practices or consumer protection rules and the relevant provisions of the Gambling Act. Even though the white label buyer will typically be responsible for the majority of marketing of the gambling site, there is also nothing to prevent marketing by use of affiliates.

### 4.3 Affiliates

An 'affiliate' is defined as an individual or company that markets another company's products or services.

Licensees often use this type of affiliate marketing to market their sites and the games they offer, for example by means of links or banner advertising, and also articles and similar which do not have the nature of editorial cover.

Even though affiliates are typically used for online communication, their use is not restricted to this activity. Hotels, cafés, and other "offline" channels can also be used in connection with marketing.

Affiliates do not need to have a licence from the Danish Gambling Authority, if they are only involved in marketing the licensee. In such cases, this means that they:

- Do not have any relations to the players.
- Do not own gambling data.
- Do not own any rights associated with the brands and websites they are marketing.

- Do not own any parts of the gambling infrastructure used for the site they are marketing.

The general consumer protection rights and marketing rules, as well as the provisions of the Act on Gambling concerning marketing and promotion also apply to affiliates. Affiliates may be held liable for breaches of these regulations.

## 5 Applications

It is now possible to apply for 5 types of licence:

1. A five-year betting licence
2. A five-year online casino licence
3. A one-year betting licence for providers with a maximum gross gambling revenue (GGR) of DKK 1 million (income-restricted licence)
4. A one-year online casino licence for providers with a maximum gross gambling revenue (GGR) of DKK 1 million (income-restricted licence)
5. A one-year licence for manager games for providers with a turnover of maximum DKK 5 million and where the return to player rate (RTP) does not exceed 20% (turnover-restricted licence)

Please be aware that the processing time for applications is three months, provided that documentation has been sent in correctly.

### Forms

Applicants need to use form 2-01 to apply for a licence for betting and/or online casino. The form can be found at [spillemyndigheden.dk/en](https://spillemyndigheden.dk/en) → select "online casino" or "betting" → the form 2-01 (PDF) is on the right-hand side under Forms. It is possible to fill in and save the form online.

The form also contains detailed explanations on the final pages on how to fill in each point.

The following individuals must fill out a personal declaration (Annex A - form 2-02):

- Individuals (sole-proprietor companies)
- All the stakeholders of a participating joint venture company
- All the executive board members and board members in the applicant's company
- An appointed representative in Denmark
- All individuals owning shares of 10% or more
- All executive board members and board members in the company who own 10% or more of the applicant's company
- Any other individuals that are requested by the Danish Gambling Authority to do so.

Information about the gambling activities must also be provided in Annex B – form 2-03.

In connection with the application, the Danish Gambling Authority may ask for further information and perhaps request a meeting. This depends on the nature of the game, and the measures that the Danish Gambling Authority consider necessary to protect the players.

### **Notes on the income-restricted licence**

If you wish to apply for an income-restricted licence, you need to fill in application form 2-01 and Annex A. Unlike other applications, this type of application will include items in the application and annex which you will not be able to fill in due to the special characteristics of the income-restricted licences.

Annex A must always be filled in and submitted with all necessary documentation attached. Annex B must not be filled in. Instead, you have to submit a detailed description of the games you intend to provide, details of your administrative/business procedures and a description of the technical equipment.

### **Notes on the turnover-restricted licence**

Manager games involve participants paying, for example, DKK 100 for a football season and putting together their own team. Points are accumulated based on the actual performance of the individual team players. The participant with the most points when the season has finished wins a prize such as a bicycle or football trip.

### **Application fees**

When you send in the application you need to pay a fee. The account number to which the fee must be paid is shown on the application form.

In 2018 the fees are:

- DKK 273,500 to apply for either a betting or online casino licence.
- DKK 382,900 to apply for a combined betting and online casino licence.
- DKK 54,700 to apply for an income-restricted or turnover restricted licence for either a betting or online casino licence
- DKK 54,700 to apply for a turnover-restricted licence for manager games.

The fee must have been paid when you send the application to the Danish Gambling Authority and proof of the payment must be enclosed.

The fee is regulated on a yearly basis.

The fee will not, in principle, be returned – even in the cases where you are not granted a licence. An exception to this rule is the application for an income-restricted licence where up to half of the amount may be refunded.

To read more about fees and the current rates, see [spillemyndigheden.dk](http://spillemyndigheden.dk).

### Submitting the application

Applications must be sent using the Danish Gambling Authority's digital forms. If you are an applicant without CVR number, the application must be sent to the Danish Gambling Authority using Bluewhale. In case you are a Danish applicant with a CVR number, you must forward the application using the Danish Gambling Authority's digital forms, but forward attached documents using Bluewhale, if these are too large for attachment. The communication using Bluewhale is described in: "Guidance – how to receive and send messages using Bluewhale" and at the back of the application forms. The application must be organised into files, with each file having a logical title and number referring to the relevant point on the application.

It is not possible to send a hard copy version of the application or using USB.

## 6 Requirements for applicants

Both individuals and companies can apply for a licence to provide gambling. It is not necessary for the individual or company applying for the licence to be resident or established in Denmark. See, however, section 6.4.

Individuals or companies applying for an income-restricted licence for the provision of betting or online casinos in Greenland must, however, be established in Greenland.

### 6.1 Requirements for individuals

There are four objective requirements and three subjective requirements that need to be fulfilled before a licence can be granted. The objective requirements can be defined as those easily verified.

The objective requirements are:

- The applicant must be at least 21 years old.
- The applicant must not be under guardianship or requested guardianship
- The applicant must not have filed a petition for restructuring, bankruptcy or debt relief or be subject to restructuring, bankruptcy or debt relief proceedings.
- The applicant must not have any debts outstanding to public authorities.
  - Outstanding debts are defined as debts which have passed the deadline for payment and have been passed on to the national debt recovery authority at Danish Tax Agency.
  - Debts will not affect your licence application if:
    - 1) The applicant has entered into a repayment agreement,
    - 2) Full security for the debt has been provided, or
    - 3) There is disagreement between the applicant and Danish Tax Agency as to the existence of the debt or its size, and Danish Tax Agency has informed

the applicant that the debt will not be recovered until such disagreement has been settled.

Subjective requirements are defined as situations where the Danish Gambling Authority makes an individual assessment of whether the applicant meets the requirements.

The subjective requirements are:

- The applicant must not have been convicted of a crime in Denmark or abroad that implies a risk that the applicant will misuse the access to working in the area of gambling.
- The applicant must meet the requirements for appropriate financial operations.
- The applicant must meet the requirements for appropriate professional operations.

Requirements	What do the requirements mean?
The applicant must not have been convicted of a crime in Denmark or abroad that implies a risk that the applicant will misuse the access to working in the area of gambling.	<p>The Danish Gambling Authority must assess whether contravention of legislation involves a significant probability that the applicant will misuse the access to working with gambling activities.</p> <p>All infractions may be relevant but the Danish Gambling Authority will always consider the type of crime you have committed, when it happened in relation to the time of application, and if it involved repetition or systematic contravention.</p> <p>Contraventions of tax and excise duty legislation may also be of importance in any assessment. Fines and similar are also considered as infractions.</p>
The applicant must meet the requirements for appropriate financial operations	<p>The Danish Gambling Authority takes into account factors such as whether:</p> <ul style="list-style-type: none"> <li>• The provider is in a position to pay out all potential winnings.</li> <li>• Budgets are consistent with the targets defined in the business plan.</li> <li>• There are sufficient funds allocated to the operation of the business.</li> </ul> <p>Refer to section 8.1 for more details</p>
The applicant must meet the requirements for appropriate professional operations.	<p>In its assessment the Danish Gambling Authority takes into account factors such as your previous experience in the areas of business operation and gambling activities. If you have no previous experience, the Authority will assess your educational background and other experience.</p> <p>In addition. An assessment will be made of how far the proposed gambling activities meet the requirements of the gambling legislation.</p> <p>Refer to section 7.2 for more details.</p>

## 6.2 Requirements for companies

The requirements for companies are the same as those for individuals. See section 6.1.

However, the age requirement and the requirement that a person may not be under any type of guardianship do not apply.

## 6.3 Requirements for executive board members and board members

The requirements for executive board members and board members are the same as those for individuals. See section 6.1.

## 6.4 Licensees who are resident or based outside EU or EEA countries

If the licensee is resident or the company is established outside the EU or EEA, it is a requirement that the licensee has a representative in Denmark. The representative, who must be approved by the Gambling Authority, may be either an individual or a company.

At [www.skat.dk](http://www.skat.dk) you can find an overview of EU and EEA countries.

The representative must be able to represent the licensees in areas of administrative law and in procedural and criminal law, as the representative will be responsible for the day-to-day communication with the Danish Gambling Authority.

If the representative is an individual, the representative must meet the same requirements as the licensee; see requirements for individuals in section 6.1. In addition, the representative must be resident in Denmark.

If the representative is a company the representative must meet the same requirements as the licensee, see requirements for companies in section 6.2. In addition, the company must be established in Denmark.

## 7 Requirements for appropriate financial and professional operations

To obtain a licence for provision of gambling activities in Denmark, you must demonstrate that the operation of the gambling activity will take place in an appropriate professional and financial manner. The two concepts are described separately below.

## 7.1 Appropriate financial operations

A gambling business must be operated in an appropriate financial manner. When applying for a licence, you must enclose documentation that will enable the Gambling Authority to assess your company's financial situation.

To do this, the Danish Gambling Authority will look at the following:

- Is the company in a position to pay out all potential winnings?
- Are the budgets consistent with the targets defined in the business plan?
- Are there sufficient funds allocated to the operation of the business?

The Danish Gambling Authority will send a considerable part of the financial information provided to an auditor, who will assist the Danish Gambling Authority in its assessment. The auditor is under a duty of confidentiality. The auditor will not make the final decision as to whether an applicant is assessed as able to carry out gambling operations in an appropriate financial manner. The Danish Gambling Authority will make the final assessment based on recommendations from the auditing firm.

The application form must be accompanied by the following documents, which will be passed on to the Danish Gambling Authority's auditor:

<b>Financial situation, internal controls and financial capacity</b>	
The applicant's financial statements for the past five years	
The applicant's funding plan.	See section including risk assessment below
The applicant's operating budget for the coming 12 months with comments from the management.	An operating budget for the 12 months ahead broken down into expected revenue per type of game, expected costs divided into main cost categories such as payroll, selling costs, administrative costs, amortisation and depreciation, service charges to group companies, net interest expenses and income tax. These should be accompanied by comments from the management including budgetary assumptions.
Documentation providing an overview of the applicant's biggest accounts receivable posts at the time of application.	A list of debtors organised by age, with the particular accounts broken down into the following overdue payment categories: <ul style="list-style-type: none"> <li>• Not overdue</li> <li>• More than 1 month</li> <li>• More than 3 months</li> </ul>

	<ul style="list-style-type: none"> <li>• More than 6 months</li> <li>• More than 9 months</li> </ul> <p>The list must show the names of debtors and the amount outstanding on each account.</p>
Information showing who the applicant's owners are – in cases where a company is the applicant.	Owners should be defined on the basis of qualified shareholdings. The names, addresses and registration numbers of all owners with qualified shareholdings of 10% must be stated.
The ultimate beneficial owner's financial statements for the past five years - in cases where a company is the applicant.	<p>An ultimate beneficial owner is defined as the owner (or owners) who, in total, possesses a qualified shareholding of above 50%. Financial statements must be included for the past five years from the top group company or companies, presented according to generally accepted accounting principles (Financial Statements Act, IFRS, US GAAP, etc.).</p> <p>If the ultimate beneficial owner is an individual, corresponding accounting data must be submitted. For instance, annual accounts, statements of capital or similar.</p>
The ultimate beneficial owner's operating budget for the coming 12 months; in cases where a company is the applicant.	The operating budget for 12 months ahead for the top group company/companies, showing expected revenues, costs, net interest expenses and corporate income taxes. This must be accompanied by comments from the management, including significant budgetary assumptions.
<b>Internal controls</b>	
A copy of the applicant's compliance and ethics programmes (codes of ethics).	A compliance and ethics programme includes descriptions of the establishment and implementation of rules and principles covering, for instance, fraud, fairness code of conduct, money laundering, acceptance and exclusion of customers and problem gambling.
<p>Copies of written procedures for:</p> <ol style="list-style-type: none"> <li>1. General policies regarding the applicant's internal control procedures.</li> <li>2. Framework for internal controls such as COSO</li> <li>3. Implementation of risk assessments in the following areas:</li> </ol>	<p>1: Written procedures for the applicant's internal control procedures. Internal control procedures can take place in the following areas:</p> <ul style="list-style-type: none"> <li>• Sales</li> <li>• Bookkeeping</li> <li>• Reconciliation</li> </ul>

<p>a) Set off free accounts,                  b) IT,                  c) Bookkeeping,                  d) Reconciliation of customer funds,                  e) Financing procedures and                  f) Mathematical models.</p> <p>4. Assessment of all major risks linked to specific risk handling policies.</p>	<ul style="list-style-type: none"> <li>• Set off accounts</li> <li>• Salary arrangements</li> <li>• Bonus calculations</li> <li>• List of persons authorised to sign on behalf of the applicant, including those with access to liquid bank accounts.</li> <li>• IT security</li> </ul> <p>2: The Committee Of Sponsoring Organisations (COSO) is a generally recognised framework that describes an internal control system based on the following phases:</p> <ul style="list-style-type: none"> <li>• Internal Environment</li> <li>• Objective settings</li> <li>• Event identification</li> <li>• Risk Assessment</li> <li>• Risk Response</li> <li>• Control Activities</li> <li>• Information &amp; Communication</li> <li>• Monitoring</li> </ul> <p>The framework is only to be used as a guideline, and the individual company may have established its own control system based on similar principles.</p> <p>3: Documentation proving that the applicant has identified risks associated with the mentioned areas and demonstrating that the applicant has implemented compensatory controls or similar to counter the risks identified.</p> <p>4: Management’s specific description of all significant risks and description of counteracting control procedures.</p>
<p>A copy of the applicant’s policy for accepting customers from areas covered by OFAC restrictions.</p>	<p>OFAC relates to companies in the financial sector. It may, however, be relevant to gambling-related companies. OFAC periodically publishes a list where they ‘red-flag’ a number of countries, companies, individuals, etc. The applicant must have defined policies relating to this list. For example, making monthly data withdrawals to</p>

	compare the OFAC list with its own payment flows to ensure that it does not make payments to any 'red-flagged' entities or individuals.
A copy of the applicant's procedures for internal audits, compliance groups or other monitoring bodies	If an internal audit function, compliance groups or other independent monitoring bodies have been set up, the applicant is requested to enclose documentation to verify this. It may take the form of a description of these departments, their managerial positioning in the organisation, reporting channels, responsibilities and copies of reviews completed.
A copy of the applicant's risk management reports to the executive board and board of directors for the past 12 months.	A report containing a prioritised overview of significant risks associated with the applicant's business and the games operated by the applicant. The report will typically include a description of risks and the measures taken to counter these risks, and a description of whether the risk management of the individual risks works as intended or requires improvement.
A copy of the applicant's procedures and controls designed to ensure that the applicant has sufficient funds to pay out all potential winnings.	A funding plan containing a specific description of the mathematical calculations of financial risks and the funding of such risks. Financial risks include, but are not limited to, currency risks, interest rate risks and gambling risks.
A copy of the applicant's funding plan, which documents how it will ensure correlation between its system for monitoring net positions and the actual funding.	A funding plan containing a specific description of the mathematical calculations of financial risks and the funding of such risks. Financial risks include, but are not limited to, currency risks, interest rate risks and gambling risks.
<b>Financial capacity</b>	
A copy of the guarantor's credit rating of the applicant.	If guarantees to cover the applicant's financial risk or similar have been provided by a third party to the applicant, documentation to verify this must be submitted. If an official credit rating has been issued, for example by S&P (Standard and Poor's Credit Rating Agency), a copy of this must be submitted.

Documentation of software that continuously monitors and reconciles all customer accounts to a setoff-free bank account held in the applicant's name. The software system must be tested on an ongoing basis.	
A copy of guarantees issued to third parties.	If guarantees have been provided to a third party, the applicant must submit documentation.
<b>Organisation</b>	
Company history and documentation of company registration.	Management history supported by statements from the relevant authorities
Management history supported by official statements from authorities	Management history supported by statements from authorities on any significant and/or frequent changes in management.
<b>Corporate structure</b>	
An overview of the applicant's corporate and group affiliation supported by official certificates	An organisational diagram or other description of the group structure, indicating shareholdings, and using the Financial Statements Act or another relevant company definition (IFRS, US GAAP etc.).  Official certificates may include transcripts from the Danish Business Authority, certifying the company's registration.
A description of the applicant's or associated companies' current gambling operations (if possible in all countries)	
An overview of the company structure.	
A description of planned activities in Denmark, including other activities than those for which the applicant has applied.	

### The setoff-free account

To protect player funds, the applicant must have a setoff-free account at a financial institution, which is kept separate from other funds. The funds in the account may only be used for payouts to players and they must be protected should the licensee become insolvent.

The amount held in the account must always be equal to the total amount deposited in the players' gambling accounts. The setoff-free account must be updated once every 24 hours to ensure that the two amounts will match.

With income-restricted and turnover-restricted licences, the requirement for a setoff-free account does not, in principle, apply. However, there are other requirements for protecting players' funds such as a bank guarantee.

## 7.2 Appropriate professional operation

The Danish Gambling Authority's evaluation of applicants includes the requirements set out in section 6 as well as the relevant Acts and Executive Orders. The evaluation will also be based on the information you submit with the application.

### 7.2.1 Persons responsible

The application must state who has the responsibility for:

- Gambling software and the operation of the games
- IT security
- System changes
- Monitoring of anti-money laundering measures and financing of terrorism ( only in applications for an online casino licence, and not for income-restricted licences)
- Financial affairs

In principle, the responsible persons should be employed by the licensee's company, but the Danish Gambling Authority will accept persons employed in the same group, for instance, if it can be guaranteed that these persons are empowered to establish measures and carry out any changes that may be necessary. These persons must also be able to provide and account for any information and documentation which the Danish Gambling Authority may need.

These persons may in no case be employed by subcontractors or companies that are not part of the same group as the applicant.

A description of the experience level for each individual responsible for a particular area must be attached to the application. An individual is allowed to be responsible for more than one area.

The CVs of the individuals responsible must demonstrate to the Danish Gambling Authority that they are qualified for their jobs. The CVs must give an accurate view of the individual's professional track record and a description of the professional competencies they possess to take on the responsibility.

### 7.2.2 Annex A

A personal declaration, annex A, must be filled out by the following individuals::

- Individuals (self-employed individuals),

- All stakeholders in a joint venture company,
- All board members and executive board members of the applicant's company,
- The representative of the applicant in Denmark,
- All individuals who own a qualified stake (10% or more),
- All board members and executive board members of a company that owns 10% or more of the applicant's company,
- Anybody that the Danish Gambling Authority requests to do so.

Annex A should include a CV, criminal record, and declaration of debts.

These CVs should be more detailed than the one mentioned in section 7.2.1. However, in principle, the Danish Gambling Authority does not need to receive personal information such as family relationship details. Information must be submitted in cases where an individual in a member's family or network may be considered to have the capacity to exert controlling influence on the members of the executive board or the board of directors, or if relevant information about the individual exists; such as a criminal record.

Documentation regarding criminal record and declarations of debt from the relevant authorities must not be more than 6 months old at the time of application.

### 7.2.3 Control of gambling data

Annex 1 to the Executive Orders requires the establishment of SAFE and use of the Tamper Token. In addition, operators who provide games online must be linked up to the Danish Gambling Authority's register of self-excluded players (ROFUS).

#### **SAFE**

SAFE is the licensee's own data storage system (a file server) where you are required to store data - in accordance with standard records - for all the games provided. All licensees are required to establish at least one SAFE system. It must be possible for the Danish Gambling Authority to get online access to the licensee's data storage.

#### **Tamper Token**

Tamper Token is a security system which ensures that the data saved by the licensee in the SAFE system remains unchanged in storage.

Tamper Token is implemented in the Danish Gambling Authority's system and deals with:

- Creation of keys (tokens) used for the creation of identification codes.
- Storage of identification codes for later control.
- Ongoing control to check that the fixed time period for terminating tokens is observed.
- Verification that a retrieved series of data has not been changed in relation to the identification code received.

## ROFUS

The Register of Self-Excluded Persons (ROFUS) is a register of all players in Denmark who have voluntarily requested exclusion - temporarily or permanently - from online casinos or online betting, as well as exclusion from access to land-based casinos in Denmark. The register is located at the Danish Gambling Authority, which is also responsible for keeping the register. If a player wants to be registered in ROFUS, the licensee must provide access to the Gambling Authority's website, from where self-exclusion can take place.

For a further description of ROFUS, please refer to section 7.2.4 and 7.2.10.

For a more detailed technical description of SAFE and ROFUS, please refer to [www.Spillemyndigheden.dk](http://www.Spillemyndigheden.dk) under the item: 'Gambling licensing and technical requirements'

### 7.2.4 Link-up to SAFE and ROFUS

Before a licence can be granted, the applicant has to go through a number of system tests. The link-up process consists of the following:

#### Test of access to SAFE

The Danish Gambling Authority must be able to access SAFE to retrieve data. The applicant must disclose a user name, password and end-point to SAFE. This information must be given to the Gambling Authority in the application form (Annex B).

#### Approval of standard records

In connection with the application process the applicant must deliver the following material:

1. A number of specifically defined standard records. All records must be packed with a Tamper Token and placed in SAFE. The Danish Gambling Authority will give the applicant information on which test data to provide.
2. A description of the applicant's understanding of each data element in the standard records. The applicant must describe their understanding of the field, including any decisions made in regard to implementation.

#### Tamper Token and ROFUS

The licensee must demonstrate correct use of the Tamper Token and show that it is possible to communicate with the ROFUS register.

The Danish Gambling Authority will give the applicant access to the Tamper Token and ROFUS test environment in connection with the application.

The Danish Gambling Authority has prepared two test cases which must be carried out as part of the application process. The Danish Gambling Authority will send the test cases once access to The Danish Gambling Authority's test environment has been set up.

## Final evaluation

When the required testing has been completed, the results and any associated documentation are sent to the Danish Gambling Authority. An overall assessment of the process will be carried out and the results forwarded to the applicant.

For a more detailed description of the link-up process, refer to the guidelines: 'Description of the connection process', which is available in Danish under the item 'Technical requirements and service descriptions' in the Gambling Authority's website.

For a more detailed technical description of the connection process, refer to [www.Spillemyn-digheden.dk](http://www.Spillemyn-digheden.dk) under the item: '*Gambling licensing and technical requirements*' for each gambling category.

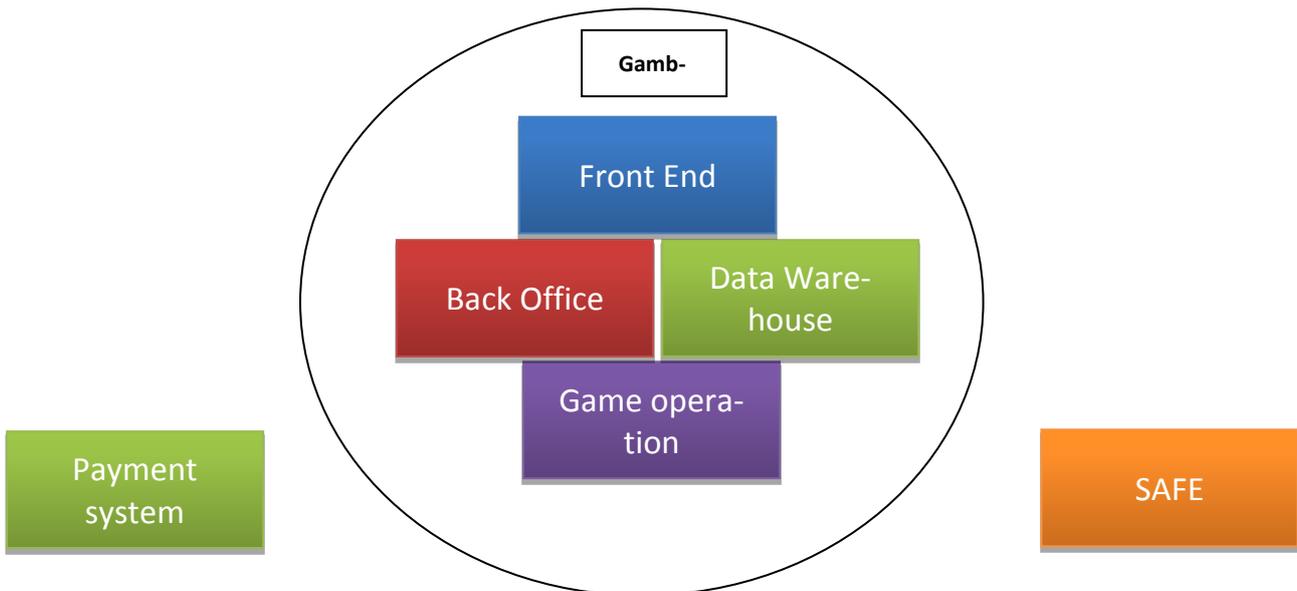
### 7.2.5 Requirements of the gambling system

#### **What does the concept "gambling system" include?**

The Danish Gambling Authority defines the gambling system as electronic or other equipment used by or on behalf of licensees for provision of gambling activities, central development, operation of games; including equipment which:

1. Is used to store information concerning players' participation in gambling such as historical data and outcome data (results).
2. Generates and presents games to the player.
3. Determines the outcome of a game or calculates whether a player has won or lost in the game.

The illustration below shows the components that are (normally) used to provide gambling online, and which of these components are considered to be part of the gambling system. Payment transmission services and SAFE are not part of the gambling system.



Description of the various components:

- Front End defines the part of a system where the player interacts. In practice, this means the **gambling website**, including the **server** on which the site is operated; and **client software** installed on the player's computer and/or mobile telephone (item 1. above)
- Back Office defines the part of a system where the **player-specific data** is stored. As a minimum this includes the player's identity details and financial data, and in some cases gambling data will also be stored here (item 2. above)
- Data Warehouse defines the part of a system where **system-generated data** is structured and stored. In the illustration above it will in practice be gambling data, but in certain cases also financial data may be stored there (item 2. above)
- Game Operation defines the part of the system which determines the outcome of a game or calculates whether the player has won or lost in a game. The Random Number Generator with its support processes and the system for carrying out betting and similar activities are located here (item 3. above)

### Certification of the gambling system

The Danish Gambling Authority requires that gambling systems, business procedures and business systems are certified by an accredited test agency before the gambling system is used to offer games to players.

The requirements for certification are described in seven documents:

- General requirements
- Testing standards
- Inspection standards
- Information security management system
- Guidelines for penetration testing

- Guidelines for vulnerability scanning
- Change management programme.

The test and inspection standards are divided into different gambling categories, while the remaining documents apply to all categories. To be approved as a certified testing agency, the testing agency must satisfy the requirements specified in the individual documents

The documents and their requirements are:

Document code		Description
00.00	General requirements	Overall requirements and certification framework
01.00	Testing standards	Random Number Generator (RNG) and jackpots
02.00	Inspection standards	Game rules, registration, operation reports, player overview, terms and conditions, security, suspicious gambling behaviour etc
03.00	Information security management system	Information security etc (audit)
04.00	Guidelines for penetration testing	Information security (test)
05.00	Guidelines for vulnerability scanning	Information security (test)
06.00	Change management programme	Standards for approving changes to gambling systems

The test companies must give certification on the basis of the requirements stated in the above documents and report these using the standard reports at [www.spillemyndigheden.dk](http://www.spillemyndigheden.dk) under *Legislation → Certification*. The frequency of the certification is also stated here.

If the necessary certifications have not been obtained before Annex B is submitted, the fields in the form concerned with certification should not be filled in. In such cases, a timetable for the certification must be drawn up and enclosed. The certification must be ready before a licence can be granted.

### Using accredited testing agencies

The requirements for accredited testing agencies are set out in the individual certification programme documents. The testing agency must acquire accreditation for ISO 17025 or ISO 17020-standards together with the The Danish Gambling Authority's further requirements for individual areas; *Legislation → Certification → under the individual certification programme*.

When a testing agency has been accredited it may, without any approval from the Danish Gambling Authority, carry out certification of gambling systems, etc.

When your gambling system is ready to be certified, you should approach testing agencies and make sure the company is an accredited agency. The licensee is responsible for proving to the

Gambling Authority that the testing agency complies with the requirements from the Danish Gambling Authority for accredited testing agencies.

### **Physical location of the gambling system**

The gambling system must, in principle, be located physically in Denmark.

The system may be located physically in another country if:

- the licensee has a license to operate gambling in this country, and the Danish Gambling Authority has entered into an agreement with the official authority that supervises the licensee's gambling activity in that country, or
- the licensee can give the Danish Gambling Authority access to carry out control levels of the gambling system using remote access or similar.

#### 7.2.6 Registration of players

It is a fundamental requirement that the licensee has comprehensive knowledge of the players. The licensee must be convinced that the customer has provided details of their true identity. There must be no circumstances which give rise to doubts about the player's identity.

The extent of the identification procedure must be determined on the basis of an individual risk assessment. However, the risk assessment must never result in no form of identification measures being taken.

Below is a description of the guidelines in the area, but the licensee is obliged to introduce stricter procedures where it is assessed that there is a greater level of risk. For each player relationship, the licensee must be able to prove to the Danish Gambling Authority that the extent of the checks has been sufficient.

To participate in gambling, the player must be registered in the licensee's system. Only physical individuals may be registered as players, which this means that companies, clubs, etc., are not allowed to have gambling accounts. Moreover, licensees are required to make the registration conditional on the players acting solely on their own behalf.

### **Player registration**

In connection with the registration, the player must provide the following information:

- Name
- Address
- CPR-number

If the customer does not have a CPR number, you must obtain other similar identification documentation. This may be in the form of a personal registration number valid for the public authorities of the individual's home country or, if the country in question does not have such identification numbers, information about date and place of birth.

Players without CPR numbers include tourists staying in Denmark.

The licensee must confirm all information using the necessary documentation.

Players without CPR numbers only include players who actually do not have a CPR number. If the players do not wish to state their CPR number or provide similar information, they cannot be registered as a player.

#### *Specific requirements about addresses*

The address stated must be the player's permanent address (habitual residence). A post-office box address does not satisfy the requirements. If the player is homeless, it may be acceptable to establish a customer relationship even though address information has not been provided. Instead, players may obtain documentation from the local authority confirming that they are homeless.

If the customer resides outside Denmark, please see below.

#### **Proof of identity for players**

The information provided by the player must be checked. The name, address and CPR number of the player must be verified by means of a reliable and independent source, such as the CPR Register. All three pieces of information must be checked. This means it is not sufficient to only check the CPR number and name, but all three pieces of information do not have to be verified through the same source. Further documentation is also required:

This documentation may be provided in the form of an information check by using NemID as it is a requirement that customers use a digital signature with a security level corresponding to the OCES standard when logging into their gambling account. Prior to first login, the data should be compared with the information provided by the customer and verified. Access to the gambling account must only be granted if the sets of data match.

For customers without CPR numbers, a check of the name, address and identification similar to the CPR number is necessary. Note that passports and driving licences do not contain home address information so it is not sufficient to submit a copy of these documents alone.

In addition, the digital signature requirement does not apply to customers without a CPR number.

Based on an individual risk assessment, further information must also be obtained for players with a CPR number if there is doubt about the player's identity. This may also be the case in the event of a politically exposed person; see section 7.2.7 about politically exposed persons.

Further information for verification of the player's identity may include:

- Submission of photo identification.
- Requirement that the first payment is made by means of a money transfer from a bank account where the player has undergone a verification process.

- Telephone contact to the player if the number can be reasonably verified.
- Submission of a contract or similar to the player with a request to sign and return the document.

Picture identification must originate from a reliable and independent source and will thus typically be issued by public authorities. The information contained in the picture identification must be current.

Licensees must not set up a gambling account if they discover that the player has provided incorrect information. Individual pieces of information may be adjusted in cases where it the licensee assesses that the player did not intend to provide incorrect information; for example if the player did not state whether they live to the right or to the left side in a multi-storey building.

### **Information about the extent of the player's intended gambling**

The licensee is required to obtain information about the extent of the player's intended gambling at the same time as the player provides identification information (name, address and CPR number). The information must be obtained from the player. For this reason, the licensee is not permitted to assess the expected gambling volume based on the customer's profile or set the profile to a "default" position. However, players may be given predefined categories to choose from.

The licensee must use the information for the prevention of money laundering. The information can also be used to prevent and take precautions against problem gambling and addiction.

#### **7.2.7 Politically exposed persons residing in another country**

In connection with the registration of politically exposed persons (PEPs), there is an increased risk of money laundering associated with corruption etc.

Special rules apply for players who fall within the definition of 'politically exposed persons' and reside in another country. These include:

- Requirements for special procedures.
- Requirements for information on assets and source of income.
- Requirements for heightened monitoring.

#### *What is a politically exposed person?*

Politically exposed persons are defined in accordance with the Money Laundering Act and its associated Executive Orders. Therefore, the text of these guidelines is in accordance with the Danish Financial Supervisory Authority's guidelines on the Danish Act on Measures to Prevent Money Laundering and Financing of Terrorism.

### **Definition of a politically exposed person**

Persons who are or have been entrusted with a prominent public function, their immediate family

members, or persons known to be close associates of such persons.

The Danish Financial Supervisory Authority gives the following examples by way of definition:

- Politically exposed persons are defined as those who are or have been entrusted with a prominent public function. This includes the following:
  - Heads of state, heads of government, ministers, deputy ministers or junior ministers.
  - Members of parliament.
  - Members of supreme courts, of constitutional courts or of other high-level judicial bodies whose decisions are not subject to further appeal, except in exceptional circumstances.
  - Members of courts of auditors or of the boards of central banks.
  - Ambassadors, chargés d'affaires and high-ranking officers in the armed forces.
  - Members of the administrative, management or supervisory bodies of state-owned enterprises.

If the person mentioned has not been entrusted with a prominent public function for a period of at least one year, that person is no longer to be considered as a politically exposed person. The persons mentioned do not include middle ranking or more junior officials.

Immediate family members include the following:

- Spouses.
- Registered partners.
- Children.
- Parents.

Persons defined as close associates include the following:

- Persons who have joint beneficial ownership of legal entities or legal arrangements, or have any other close business relations, with one of the persons referred to above.
- Persons who have sole beneficial ownership of a legal entity or legal arrangement which is set up for the benefit of one of the persons referred to above..

### **Requirements for special procedures**

If the player is resident outside Denmark, the licensee must ask the player to state the following when registering:

- Current occupation.

- Whether the customer is or has been entrusted with a prominent public function or whether the customer is related to or has close cooperation with a person who is or has been entrusted with a prominent public function.

In connection with politically exposed persons, the licensee must:

- 1) Have adequate procedures to determine whether the customer is a politically exposed person resident in another country; and
- 2) Request and receive documentation to show that the senior day-to-day management has given approval for establishing business relationships with such customers. Day-to-day management is defined as the casino's management or the manager of the casino organisation.

If the casino has many players who are resident outside Denmark, it may be relevant to subscribe to services from international information providers specialising in keeping and updating lists of politically exposed persons.

It may also be relevant for you to make a routine internet search for the player's name via a search engine to find information about the player.

Other information that the casino may come into possession of may also be a factor in deciding whether further investigations should be carried out to ascertain whether the player is a politically exposed person.

The number of customers who are resident outside Denmark and the nature of the countries where the customers live may increase the probability that you have politically exposed persons among your customers who are not named on the lists of these private providers. Based on a risk assessment, this may mean that the casino has to cooperate with local entities, such as lawyers, bank connections, etc., to verify whether the customer is a politically exposed person in the country in question.

### **Requirements for information about sources of assets and income**

Casinos must take reasonable measures to gather information about politically exposed persons' sources of income and funds involved in the gambling activity. This means that the player must be requested to provide the required information. This information must then be assessed on the basis of the current circumstances, including the player's transactions

### **Heightened monitoring**

The casino must continuously be aware of the business relationship with a politically exposed person. This means that there must be heightened monitoring activity of the business relationship with such players.

#### 7.2.8 Safekeeping of identity information etc

The licensee must keep records of identity information for a period of at least 5 years after the customer relationship has been terminated. “Identity information” means the actual information about an individual.

The requirement for safekeeping of identity information includes the licensee keeping records of which identification documents were used to set up the account.

If the player has shown a passport, the passport number must be noted down and kept. If the passport shown is of foreign origin, birth data information (date and place of birth) must also be noted down and kept. If a driver’s licence has been shown, the licence number must be noted down and kept.

#### **Safekeeping of information after the closure of a company**

If a company closes down, the last known functioning management group must ensure that records of identity information continue to be kept in accordance with the Executive Order on online casinos and online betting.

#### **Updating of information while the customer relationship is still in force**

Documents, data and other information about the player must be updated on an ongoing basis. The licensee must ask for new identification if there is doubt as to whether the documentation already obtained about the player’s identity is correct or sufficient.

If there are significant changes in the player’s gambling patterns, the information regarding the intended extent of gambling must be renewed by the player.

#### 7.2.9 Gambling accounts

When the licensee has obtained information about the customer's identity and verified this information with the required documentation, a gambling account can be set up for the player. A player may have more than one gambling account, but the customer identification process must be carried out each time a gambling account is set up.

A gambling account must provide the player with information about:

- Account balance
- Gambling history (including stakes, winnings and losses)
- Deposits and withdrawals
- Details of all associated transactions

The gambling history must provide the player with access to view all stakes, winnings and losses resulting from a gambling session and must be recorded minute-by-minute at a minimum.

The information available to the player in the gambling account must date back at least 90 days. The player must also be able to access to information on request for a minimum of twelve months.

It must only be possible for the player to gain access to the gambling account using a digital signature. This must, as a minimum, have a security level corresponding to the OCES standard. NemID meets this requirement. On each login, verification must take place to ensure that the digital signature applied corresponds to the licensee's information about the player.

The Danish Gambling Authority may dispense with this requirement, and allow a log in to a gambling account without using a digital signature. This applies only in cases where the game has been developed from technical platform where it has not previously been possible to use the digital signature (such as tablets, smartphones and similar). It is a requirement for the exemption that the player activates the media by logging into a gambling account via the Internet. On log in to the gambling account, the usual player identification requirements, including the digital signature requirement, apply.

The digital signature requirement does not apply to players without a CPR number either. For such players, adequate identification of the player must be carried out during login in some other manner, for example through the use of a secure password.

### **Temporary gambling accounts**

Until the player's identity has been confirmed correctly as referred to in section 7.2.6 (proof of the player's identity), the licensee is only permitted to set up a temporary gambling account. The temporary gambling account must be shut down within 30 days if the player has not been properly identified with the correct documentation.

A temporary gambling account may not be set up for players who are listed in ROFUS.

The player may deposit a maximum amount of DKK 10,000 into a temporary gambling account, and no withdrawals may be made from the gambling account. This means that any winnings won must not be paid out until the gambling account has the status of a normal gambling account, and the player's identity verified. However, any winnings must be immediately credited to the gambling account.

When a temporary gambling account is shut down, the player will only be able to withdraw the remainder of the total deposited amount. Any winnings won by the player will accrue to the licensee.

### **The players' deposits to the gambling account**

It must only be possible for gambling accounts to accept payments from payment service providers that meet the requirements of the Payment Services Act. Players must not be granted a credit and cash deposits are not allowed.

When an amount has been deposited into the gambling account by the player, it must be shown immediately after the amount has been received. In the case of bank transfers, the amount must be credited to the account immediately after it has been received.

### **Closing a gambling account**

When a gambling account is closed, the licensee must pay out the balance of the gambling account to the player no later than five working days after the account has been closed.

#### 7.2.10 Information to players

All necessary and relevant information to the player must be in Danish, including playing rules and standard terms and conditions.

It must be possible for the player to find information about:

- All costs associated with participation
- The value of all winnings (market value)
- Where and when the winners are announced
- Theoretical payout percentages used
- Start and end dates for participation
- How winnings are paid out to the winners
- Deadline for submission of valid winnings claims
- The name of the licensee and the physical address where the licensee is established, e-mail address, postal address (if applicable) and any other information about the licensee necessary for contacting and communicating with the licensee
- The central business registration number (CVR No.), if the licensee is registered in the Central Business Register
- How the player can file a complaint with the licensee
- The approved licence period for providing gambling services.

The items of information defined as relevant depend on the form of the game and the gambling services provided.

It must be stated on the homepage of the website that the gambling licence has been issued by the Danish Gambling Authority and that the Danish Gambling Authority supervises the operation of gambling services. The front page of the website must also include a link to the Danish Gambling Authority's website.

It is also a requirement for the provision of gambling via websites that:

- It must be stated that persons below the age of 18 are not allowed to take part

- Information about responsible gambling and the potential harmful effects of gambling must be provided. The information must be prepared in cooperation with a treatment centre
- The player must be able to access a gambling addiction self-test
- The player must be able to find information about and addresses of Danish treatment centres.

This information must be in a prominent place on the website, for example on the homepage, and it must always be possible for players to find and access the required information from all pages of the site.

During online casino games, a clock must be visible to players so they can see how much time has been spent on the site. The clock does not necessarily have to be a traditional clock or set to a specific time zone. It may instead be a timer function that starts when the player logs in.

#### 7.2.11 Player options for setting a limit to gambling

Below is a list of measures enabling players to set limits to their own gambling. As these are minimum requirements, it is also possible to implement further measures

##### **Deposit limits**

Players must be able to set daily, weekly and monthly deposit limits (24 hours, 7 days and 30 days from the time of registration). All three options must be offered to the players, and it must be possible for individual players to set a nominal amount of their own choice.

In principle, the deposit limits must be activated as soon as they are set. However, in cases where a previous deposit limit has been increased, 24 hours must pass before activation of the new limit.

##### **Self-exclusion from individual gambling operators**

Players must be able to exclude themselves from playing. The following options must be possible:

- A brief break from playing (cooling-off period)
- Temporary self-exclusion (minimum 1 month)
- Permanent self-exclusion.

In connection with permanent exclusion, the player's gambling account must be closed down and the player relationship terminated. The player can only set up a new account again one year after the gambling account was shut down at the earliest.

##### **Self-exclusion from gambling via the Danish Gambling Authority**

ROFUS is The Danish Gambling Authority's register of voluntarily self-excluded players. ROFUS allows players to voluntarily register using NemID if they want to exclude themselves temporarily or permanently from gambling in Denmark.

Players have the option of taking a 24-hour break or excluding themselves for a temporary period of 1, 3 or 6 months. Permanent self-exclusion is also an option.

The Danish Gambling Authority has the responsibility for operating ROFUS.

A licensee may not carry out exclusion on behalf of the player, but the licensee must inform the player about self-exclusion and refer them to the Danish Gambling Authority's homepage.

When registering a new player, the licensee must check the ROFUS register. If the player is listed in ROFUS, the licensee is not permitted to set up a gambling account - not even a temporary one.

Each time a player logs in to the gambling system, you must consult the ROFUS register and check that the player has not been entered into the register. When a player is listed in the register, the player must be denied access to play and the player relationship must be terminated in cases of permanent exclusion. In cases of temporary exclusion, the customer relationship may continue, but the player must still be denied access to play.

A player who has requested permanent exclusion may ask the Gambling Authority to be deleted from the register after one year from the date of entry on the register

Temporary exclusions will be terminated automatically at the end of the exclusion period

ROFUS contains information about:

- CPR number of the players in the register.
- Date and time of self-exclusion.
- Date when temporary self-exclusion ends.

#### 7.2.12 Requirements which only apply to betting licences

The licensee is required to take the appropriate measures for reducing the risk of match-fixing.

#### **Land-based betting**

Many of the above-mentioned requirements do not apply in connection with the provision of land-based betting - because, for example, it is not necessary to set up gambling accounts.

The following sections do not apply:

- Registration of players (section 7.2.6)
- Gambling accounts (section 7.2.9)

- Player options for setting a limit to gambling (section 7.2.11)

## 8 Issue of licences

### **Licence period**

A licence to provide betting or online casino games is granted for a period of up to five years unless the application is for a restricted-revenue or restricted-income licence which is only given for one year at a time.

### **Geographical cover of the licence**

A licence for betting or online casinos can only be used to provide gambling in Denmark.

This means that the provision of gambling in other countries cannot take place with a Danish licence even though the player already has an account with the Danish version of the homepage. Similarly, games can only be provided in Denmark with a Danish licence. This applies no matter who the gambling provider is.

With a licence to provide betting or online casinos, the licensee may provide gambling to persons:

- Who are resident in Denmark and have a CPR number
- Without a CPR number, if they are staying in Denmark for a short period of time - for example, on holiday.

It is possible to apply for a licence to cover the provision of gambling in Greenland but not for the provision of gambling services in the Faroe Islands.

It is not possible with a Danish licence to provide gambling to persons who are resident in other countries, irrespective of whether they are Danish or have another nationality.

When players leave Danish territory, they are no longer bound by Danish legislation and will be subject to the regulations in the country where they currently are.

A Danish licence cannot be used for the provision of gambling outside Danish territory.

### **Terms of the licence**

The licence contains a number of specific terms and conditions, so licensees must always pay special attention to the terms stated in the licence.

Examples of terms include:

- Requirements for setting up and laying out a bookkeeping account to be used for the setoff-free account.
- Requirements for the responsible operation of gambling activities with the aim of avoiding social, health or public order problems.

Violation of the terms of the licence may result in withdrawal of the licence.

For a general description of the terms for income-restricted licences, please refer to section 9

### **Publication of licensee list**

The Danish Gambling Authority regularly publishes a list of the licensees with approval to provide betting or online casinos in Denmark. This list is available on the Gambling Authority's website at [www.spillemyndigheden.dk](http://www.spillemyndigheden.dk).

## **8.1 Renewal of licences**

Before a licence expires, it is possible to apply for a new one. This means that the information below also applies in cases of application where an existing licence is still valid.

The licence renewal fee for 2018 is (the fee is regulated annually):

- For a licence for betting or an online casino: DKK 109,400
- A combined licence: DKK 136,800

In connection with the renewal, the Danish Gambling Authority requires a number of documents.

These can be divided into three categories:

- Basic information
- Information necessary if there have been any changes since the previous application
- Supplementary information that was not included in the first application.

### **Basic information**

Even though the Danish Gambling Authority has previously obtained documentation as part of its supervisory duties during the current licence period, it is still a requirement that this documentation is included in the application for a renewal of the licence.

This may include information on the name of the licensee, contact person, operational form, details of any debt, and information about fees.

### **Information necessary if there have been any changes since the previous application**

Information on changes to the person in charge of, for example, technical operations or legal affairs must be stated in the updated annex A.

### **Supplementary information that was not included in the first application.**

This includes information on the existing licence in Denmark and the extent to which the renewal is for a combined licence or only for an online casino or betting licence. In addition, information must be supplied about internal and external white label agreements, as well as details of the platforms used to provide gambling services. In addition, documentation about the setoff-free account must be included.

## 9 Income-restricted licence

The income-restricted licence differs from other licences in that:

- The licence is only valid for a maximum of 1 year.
- The gross gambling revenue (stakes minus winnings) must not exceed DKK 1 million.
- Individuals or companies applying for an income-restricted licence for betting or online casinos in Greenland must be established in Greenland.

### Application

Applicants for a licence must fill in the application form 2-01 and annex A together with its associated documentation. The form can be found at [spillemyndigheden.dk/betting](http://spillemyndigheden.dk/betting) in the right-hand menu. On the application form and annex A, there are special fields to take account of the characteristics of an income-restricted licence.

Annex B does not need to be filled in. Instead, the applicant needs to send a detailed description of the intended provision of gambling services; a description of the administration/business procedures; and a description of the technical equipment.

### Terms and conditions

For all income-restricted licences, there is a condition that the licensee can have a total gross gambling revenue (stakes minus winnings) of DKK 1 million originating from the licensed provision of gambling. As a result, the licensee must terminate the licensed gambling activity if and before this limit is exceeded.

If a licensee exceeds this limit of DKK 1 million in gross gambling revenue, the Danish Gambling Authority may report the licensee to the police for violation of the licence terms and conditions as laid out in the Gambling Act, section 32. As part of legal proceedings, there may be a request to confiscate any illegally acquired income.

Income-restricted licences are governed by the Act on Gambling but exempted from the Executive Orders. For example, a gambling operator with an income-restricted licence does not have to satisfy the same requirements for supplying data to the Gambling Authority's control system and is not covered by anti-money laundering rules and registration of players.

The Danish Gambling Authority will, in certain circumstances, set a number of specific terms in the licences. Terms will be set to ensure that the game is provided in a financially and professionally appropriate manner.

The specific terms set in the individual licence will depend on the type of game and the characteristics of the game, and especially the risks associated with providing the game.

Depending on the game, there will be no comprehensive terms if, for example.

- The player's stake is limited to, for example, DKK 50
- The turnover rate of the game is relatively low
- The number of potential participants in the game is limited
- The game is simple and easy to understand for the players
- The game is simple and easy to understand for the players

The individual licence may contain a number of specific terms concerned with, for example, IT equipment, changes to games or selection of games, registration of players, anti-money laundering rules, bookkeeping layout, prevention of game manipulation, marketing of games, connection to ROFUS, and dealing with player complaints.

Examples of special terms which may be set in the income-restricted licences:

Type of game		Examples of conditions
Fixed-odds betting		Periodic reporting to the Danish Gambling Authority, e.g. monthly reporting on stakes, winnings or similar.
Pool betting		Reporting to the Danish Gambling Authority, e.g. monthly reporting on finished games (pools) stating stakes, numbers of winnings broken down by prize categories and similar information.
Online casino games (gaming machines, roulette, punto banco, blackjack, poker, etc.)	The game is played with high stakes and at high speeds	Terms requiring certification of IT equipment including RNG by a testing agency.
	The game is played with low stakes and at low speeds	Terms requiring periodic reporting of finalised games, specifying stakes and winnings. Terms requiring a declaration of the RNG's random generation

#### **If the DKK 1 million limit is exceeded**

If the DKK 1 million limit is exceeded, the income-restricted licence is no longer valid and the licensee must immediately terminate the provision of gambling. The licensee must apply for a normal licence for the provision of betting and/or online casinos if the provision of gambling is to continue.

If a licensee does not terminate the provision of gambling in such cases, it may result in the licensee being reported to the police for violation of the licence terms and conditions. As part of legal proceedings, there may be a request to confiscate any illegally acquired income.

#### **Special conditions for the turnover-restricted licence**

The turnover-restricted licence is only valid for a maximum turnover of DKK 5 million within the licence period.

In addition, the turnover-restricted licence is only allowed to offer a maximum payout percentage of 20%.

### **Can the applicant apply for more than one licence?**

A licensee can at most hold two income-restricted licences per current year. In practice this means one income-restricted licence and one turnover-restricted licence for online casinos. If the licensee has a turnover-restricted licence for manager games, an income-restricted licence covering the same period may not be obtained.

### **Annual fee**

An applicant for an income-restricted licence pays an application fee of DKK 54,700 (2018). This fee covers both the expenses of the Danish Gambling Authority in connection with processing the application, as well as the supervision of the licensee. The Danish Gambling Authority retains DKK 27,350 (2018) from the applicant in cases where the application is rejected and does not lead to the issue of a licence.

## **10 Changes to a licence**

You may need to make changes to the basis on which your licence was issued. This could be in connection with changing key persons, providing new games or restructuring of your enterprise following a merger, etc.

For changes to the licence, use form 2-07 - Modifications.

### **10.1 Application for additional games not mentioned in licence**

#### **Online casinos**

With a licence for online casino services, you can provide the games roulette, baccarat, punto banco, blackjack, poker and games on gaming machines with cash winnings - unless your licence is limited to individual types of games.

In addition, you may - without a special licence - provide games that meet the criteria for being a combination game.

Before the provision of a new game, the Danish Gambling Authority must always be informed – especially see section 7.2.5. on the Danish Gambling Authority's change management programme, and where this may lead to a requirement for re-certification of parts of the gambling system.

#### **Betting**

With a licence for betting, all types of betting may be provided except those mentioned in section 3.2.

## 10.2 Transfer of a licence

A licence cannot be transferred.

In the event of corporate restructuring, such as a merger, demerger or an exchange of shares, the Danish Gambling Authority must be notified in advance in order to obtain prior approval.

### **Delegation of a licence**

It is not possible to transfer (delegate) a licence or the rights and obligations that follow with the licence. This means that another company cannot provide gambling services based on a licence issued to another licensee.

Despite the ban against delegation of a licence, it is permitted to use external subcontractors. However, the licensee is always responsible for the games and cannot disclaim responsibility in relation to the Danish Gambling Authority or the players.

The ban against delegating does not prevent you from providing gambling services via white label constructions or selling games through employees, etc. Please refer to section 4.2 for more information.

## 10.3 Other changes

### **Members of the board of directors or the executive board**

The Danish Gambling Authority must be notified within fourteen days if a new member joins the board of directors or a new executive officer is employed in the executive board. This is done by the person in question filling in and submitting Annex A of the application.

The Danish Gambling Authority may decide that members of the board of directors or members of the executive board must resign from their post if they have been convicted of a criminal offence that involves a risk that they will misuse their access to working with gambling activities. The same applies if the member has unpaid, outstanding debt to public authorities in excess of DKK 100,000

If a member of the board of directors or the executive board is placed under guardianship in accordance with section 5 of the Guardianship Act (personal and financial guardianship) or section 7 (requested guardianship), the member must resign from their post. This also applies if the member has petitioned for a reorganisation, bankruptcy proceedings or debt relief, or is in the course of reorganisation, bankruptcy or debt relief proceedings.

### **Domains and white labels**

If the licensee wishes to provide gambling services at other domains such as white label domains, the domain must be approved by the Danish Gambling Authority in advance. This means that the

licensee must submit a contract and all relevant information about the domain. The licensee may not provide the game at the desired domain until approval has been received.

### **Changes in named employees responsible for specific areas**

Changes to the named employees responsible for:

- Day-to-day operations
- IT security
- Finance
- System changes
- Combating money laundering and financing of terrorism

must be reported to the Danish Gambling Authority together with the name of the employee responsible for the task in the future. The Gambling Authority must approve the employee responsible for the area, and a CV must be submitted for this person. Read more about CVs in section 7.2.

## **11 Additional requirements for gambling providers**

There are a number of requirements for the provision of gambling activities which must be met in the day-to-day operation of a gaming enterprise.

### **11.1 Marketing of gambling activities**

In addition to the general marketing rules, there are special rules for the marketing of gambling activities.

Marketing of gambling activities:

- Must present the chance of winning in a correct and balanced way so as not to create the impression that the chance of winning is bigger than it actually is.
- Must focus on games as a form of entertainment.
- Must not be aimed at children and young people under the age of 18; neither in its communication form nor in the choice of media.
- Must not use well-known personalities to suggest that participation in games has contributed to their success when this is not the case.
- Must not have a content that conveys the impression that participation in games helps provide a solution to financial problems or improves the player's social acceptance

### **Bonus**

One way of marketing a website or specific games is by offering a bonus to players. This could be a welcome bonus marketed with the aim of getting new customers for a website or a reimbursement of the fees paid by players to the licensee for participating in the games provided.

It is not possible to give a clear definition of what a bonus is as bonuses are offered in many different varieties with many different conditions for payouts. However, a bonus typically represents an object, money or a service offered to a (potential) player as compensation for an action taken by the player. The compensation may involve registration as a player on the website, depositing money into a gambling account or recruiting other players.

The licensee may market games by offering a bonus to new and existing players. It is a requirement that the actual marketing of the bonus is in accordance with the rules described above as well as the current general consumer protection and marketing regulations.

In addition:

- Licensees must disclose information about the terms of the bonus in a clear and unambiguous manner at the time the offer is presented.
- Bonuses must be paid into the player's account immediately after the player satisfies the conditions for receiving the payment.
- The player must have at least 60 days to meet the conditions of the bonus.
- Bonus offers cannot be given to individual players with conditions that are different from offers made to other players.

Irrespective of the latter requirement, the licensee may offer a bonus to different player groups of its players or potential players, for example in the form of a welcome bonus. However, this cannot be done in a manner where the real target group of the offer is so small that it constitutes a circumvention of the requirement.

### **Promotional games or lotteries**

The licensee has the possibility to carry out promotional activities in the form of promotional games and lotteries which are not covered by the gambling licence. This, for example, may include a lottery, a draw or another type of gambling activity that is decided solely on chance or without a licence. This might include a licensee with an online casino licence carrying out a lottery or draw.

When carrying out promotional games or lotteries, there may be a requirement to buy an item or service (such as a single bet, payment for participation in a poker tournament, purchase of spins on a gaming machine etc) which then allows the promotional game or lottery to take place. It is a requirement that the promotional game or lottery must involve an actual purchase of the item or service, and that the item or service in question must not be charged at a higher price than if it were not part of a promotional game or lottery.

A condition of carrying out the promotional game or lottery is that the promotion must be a temporary offer and that the promotion period must be informed to the player.

## 11.2 Complaints from players

Players must be able to file a complaint with the licensee about its gambling services. As a result, the licensee must always deal with an inquiry from a player who disagrees about the size of winnings or about the way the game is played. However, this rule does not mean complaints about issues such as advertising or the cleanliness of a gaming shop must be dealt with.

It is not possible for the player to file a complaint about your decisions to the Danish Gambling Authority, but the licensee must instead refer the player to the authority where they can file an appeal.

A complaint must be dealt with within 14 days. If the licensee does not manage to complete the case within 14 days, the player must receive notification and notice of the expected date of completion.

The licensee must keep records of the complaints and the decisions made for a period of two years. Part of the Gambling Authority's supervision of activities may be to review any such complaints.

As a rule, this requirement does not apply to income-restricted licences.

## 11.3 Suspension of player accounts

A gambling account may be suspended if the player is suspected of having unlawfully obtained winnings or violated conditions set out in the Danish Gambling Act, the Executive Order or in the terms and conditions of the gambling account.

Players must receive a decision concerning the suspension within reasonable period of time. During the suspension period, it must not be possible for players to terminate their gambling account. When a decision in the matter has been taken, players must receive this in writing by letter or e-mail. If the suspension leads to the confiscation of winnings, etc., the decision must be substantiated and the matter must be documented.

As a rule, this requirement does not apply to income-restricted licences.

## 11.4 Sales of land-based betting activities

### Requirements for the shop

It must be clear at the licensee's premises that the licensee is licensed and subject to supervision by the Danish Gambling Authority.

Moreover, the following information must be clearly shown:

- No persons under the age of 18 may take part in gambling activities
- Information about responsible gambling and the potentially harmful effects of gambling.

This information must be prepared in cooperation with a treatment centre

- Information about Danish treatment centres and their addresses.

All the information referred to must be available in Danish. This information must be given a prominent place at your point of sale.

The information referred to in section 7.2.10 must be available at the licensee's premises. The playing rules must be available on the premises where the game is sold. It is sufficient if the licensee is able to print the rules on request or can show the rules on a monitor.

### **Approval of shop managers for land-based betting**

A shop offering betting services must be operated by the licensee in person or by an appointed manager.

If the licensee is not in charge of the physical provision of the games or if the licensee is a company, the appointed manager must be approved by the Gambling Authority before commencement of employment.

The manager must satisfy the following requirements:

1. No younger than 21 years of age,
2. Not under guardianship or requested guardianship
3. Not convicted of a crime in Denmark or in other countries which imply a risk that the manager will abuse the access to working with games
4. Not exhibiting conduct that gives reason to believe that the betting establishment will not be run in a fully responsible way

The requirements referred to in points 1 - 3 above are the same as for individuals applying for a licence to provide gambling services, see section 6.1 for more information.

An assessment of the requirement referred to in point 4 above may include matters which do not involve a risk that the position will be misused as mentioned in point 3 above. This could involve refusing to approve a manager in cases where the applicant has been dismissed from a previous position in circumstances that did not lead to criminal proceedings, but can mean that the betting establishment will not be operated in an acceptable way. The Danish Gambling Authority may also refuse to approve a manager if the applicant is involved in crime or involved with criminal groups. It is not necessary for the Danish Gambling Authority to identify any specific risk of criminal offence in connection with gambling activities before refusing approval.

The requirement in point 4 above does not only apply to the manager, but also to persons who are deemed to be capable of exercising a controlling influence on the manager. This could include but is not limited to: a spouse, cohabitant, or boyfriend/girlfriend.

### Transitional period

Managers employed to oversee the provision of betting services prior to Gambling Act entering into force do not require approval.

Only managers hired after the Act entered into force are required to be approved by the Gambling Authority. The Act entered into force on 1. January 2012.

## 12 Annual fee

The licensee is required to pay an annual fee to the Danish Gambling Authority for each licence to provide betting or online casino services.

### Calculation and payment of annual fee

The annual fee is calculated on the basis of the gross gambling revenue of a calendar year (gambling revenue less winnings). The fees for 2018 amount to:

Gross gambling revenue	Fee
Under DKK 5,000,000	DKK 54,700
DKK 5,000,000 to DKK 10,000,000	DKK 136,800
DKK 10,000,000 to DKK 25,000,000	DKK 246,200
DKK 25,000,000 to DKK 50,000,000	DKK 492,300
DKK 50,000,000 to DKK 100,000,000	DKK 875,200
DKK 100,000,000 to DKK 200,000,000	DKK 1,641,000
DKK 200,000,000 to DKK 500,000,000	DKK 2,735,000
Over DKK 500,000,000	DKK 4,923,000

You must pay the fee no later than one month after the licence enters into force. This date is stated in the licence.

The size of the fee will be adjusted on an annual basis.

For the first year of the licence, the Danish Gambling Authority will set the annual fee. The fee will be set based on the gross gambling revenue stated by the licensee in the budget that was enclosed with the application.

In the following years, the fee will be calculated on the basis of the preceding year's actual gross gambling revenue. If you have not provided gambling services for an entire calendar year but only for, say, six months, the gross gambling revenue will be multiplied by two to make up the annual fee.

### Regulation of the annual fee

The Danish Gambling Authority will regulate the annual fee in the following situations:

- If the realised/actual gross gambling revenue exceeds the basis on which the fee was calculated, an amount corresponding to the difference between the fee paid and the actual fee due will be charged. This amount must be paid no later than one month after this fee has been charged.
- If the realised/actual gross gambling revenue for a calendar year is lower than the basis on which the fee was calculated, an amount corresponding to the difference between the fee paid and the actual fee due will be refunded. Any such refunds cannot be paid out until after the end of the calendar year.

Regulation of the fee is not possible in cases where the licensee ceases the provision of gambling before the expiry of the licence.

The Danish Gambling Authority is responsible for the calculation, charging, regulation and refund of the fee using information on the gross gambling revenue and tax returns reported by the licensee to Danish Tax Agency.

## 13 Lapse of licence

A licence to provide games will lapse when any of the following conditions are met:

- The licensee advises the Danish Gambling Authority that the licensee no longer wishes to provide gambling services.
- The licensee does not commence the provision of gambling services after 12 months at the latest.
- The licensee does not provide gambling services for a period of 6 consecutive months, except in cases where the provision of gambling services is seasonal.
- The licensee passes away.
- The licensee or licensee's representative no longer meets one the conditions set out in section 6.1.
- The Bankruptcy Court, upon request from the Commerce and Companies Agency (Erhvervsstyrelsen), has ordered that the licensee be compulsorily dissolved.

Irrespective of whether the Bankruptcy Court has ordered that the licensee be compulsorily dissolved,

- the estate of the deceased licensee;
- a spouse retaining undivided possession of the estate;
- a licensee that has filed for a suspension of payments;
- a licensee's estate in bankruptcy; or
- a guardian of a licensee

may continue to provide gambling services with a view to winding-up and realisation, if it is notified to the Gambling Authority within 14 days after:

- the event of death;
- filing for suspension of payments;
- the issue of a bankruptcy order; or
- the establishment of the guardianship.

The access to continue providing gambling services only applies for six months after the event which caused the lapse of the licence.

## 14 Withdrawal of licence

The Danish Gambling Authority may withdraw the licence if the licensee or the licensee's representative:

- Is in gross or repeated violation of the Gambling Act, its associated Executive Orders or the terms of the licence;
- Has been convicted of a criminal offence that may involve a risk that access to working with gambling activities will be misused,
- Can no longer show that it is likely that the gambling activities will be operated in an appropriate financial and professional manner,
- Is in gross or repeated violation of the duty to pay outstanding taxes or have/has not provided security for such taxes, see the Gaming Duties Act and the Act on the Collection of Taxes and Duties etc.
- Has failed to pay outstanding fees as set out in section 42 of the Gambling Act;
- Has unpaid, outstanding debt to public authorities in excess of DKK 100;
- Has not applied for registration of the company with the customs and tax administration within four weeks after the licence was granted;
- Provides or organises games that cause significant disturbance of public order.

## 15 Appeals on decisions made by the Danish Gambling Authority

The licensee can file an appeal about decisions made by the Danish Gambling Authority with the Danish National Tax Tribunal or the courts.

### **Appeals about decisions made by the Danish Gambling Authority**

The licensee can appeal any decision made by the Gambling Authority.

#### **Requirements for the appeal**

In order to handle the appeal, the following requirements must be met:

- The appeal must be in writing.
- The reasons for the appeal must be stated.

- All the points where the licensee disagrees with the decision must be specified.
- The licensee must attach a copy of the decision in question.
- Copies of all relevant documents supporting the case must be attached.

If these requirements have not been met, the licensee will be contacted and asked to correct the omissions within a specific deadline.

If the requirements are still not met after the expiry of the deadline, your appeal may be rejected.

The appeal must reach the National Tax Tribunal no later than three months after the licensee has received the decision from the Danish Gambling Authority.

### **Appeals to be sent to the Tax Appeals Agency (Skatteankestyrelsen)**

Appeals can be filed online via the Tax Appeals Agency's appeals portal.

### **What does the appeal cost?**

On filing an appeal, the licensee must pay an appeal fee of DKK 400 to the Tax Appeals Agency.

You must send the appeal online via the Tax Appeals Agency's appeals portal on [skatteankestyrelsen.dk](https://skatteankestyrelsen.dk) where you at the same time can pay with debit card or MobilePay.

There is no charge for decisions concerning freedom of information.

### **When the appeal decision has been made**

Decisions of the National Tax Tribunal and Tax Appeals Agency are final and cannot be appealed to other bodies within the administrative system.

The matter may still be brought before the courts of law.

### **Appeals to court**

Any appeal must be received by the court three months at the latest after the decision has been made by the Gambling Authority. The three-month time limit is reckoned from the day the decision is issued and not from the day the decision is received.

If the case is not brought before the courts before the three-month time limit, the decision will be final and it will not be possible for the court to handle an appeal. In exceptional circumstances, a court may however decide to handle the case even though the three-month limit has passed.

The licensee may complain about decisions made by the Danish Gambling Authority directly to the courts. It is not a requirement that an appeal must first be filed to the National Tax Tribunal.

The licensee may also appeal decisions made by the National Tax Tribunal (Landsskatteretten) or Tax Appeals Agency (Skatteankestyrelsen).

### Suspensive effects of the appeal

When filing an appeal against a decision made by the Danish Gambling Authority to the National Tax Tribunal or bringing the case before the courts, the licensee must be aware that the appeal does not always have a suspensive effect

If the complaint does have a suspensive effect, the licensee does not have to comply with the decision until the appeal case has been decided by the National Tax Tribunal or the courts.

If the appeal does not have a suspensive effect, the licensee has to comply with the decision even though there is disagreement and an appeal has been filed about the decision.

Filing an appeal with the National Tax Tribunal or bringing a case before the courts has a suspensive effect if the decision concerns:

Decision	Reason for the decision
Withdrawal of a licence	<p>The licensee or the representative:</p> <ul style="list-style-type: none"> <li>• Is guilty of gross or repeated violation of the Gambling Act, of provisions set down in the Act, or of the terms of the licence,</li> <li>• Has been convicted of a criminal offence that leads to the potential risk that access to working with gambling activities may be abused, or</li> <li>• No longer fulfils the conditions about being able to operate gambling activities in an appropriate financial and professional manner.</li> </ul>
Withdrawal of the approval of a representative	<ul style="list-style-type: none"> <li>• The representative has been convicted of a criminal offence that leads to the potential risk that access to working with gambling activities may be abused</li> <li>• The representative is no longer established or resident in Denmark</li> </ul>
Decision about members of the board or executive board being required to resign	The member has been convicted of a criminal offence that leads to the potential risk that access to working with gambling activities may be abused.
The National Tax Tribunal or the courts may decide not to allow the appeal to have a suspensive effect on the decisions referred to above	

In other situations, an appeal does not have a suspensive effect. In some situations, however, the National Tax Tribunal or the courts may allow the appeal to have a suspensive effect in special circumstances.